



**September 17, 2019** 

Freddy Mejia, Policy Analyst

The Commonwealth Institute for Fiscal Analysis

# Digging Into Three Key Topics

- Overview of State Paid Family and Leave Programs
- Deep Dive in Oregon's FAMLI Program
- Analysis of Potential Impact by Race



#### Overview of State PFML Policies

- □ California (2002)
- New Jersey (2008)
- Rhode Island (2013)
- New York (2016)

- □ Washington (2017)
- Massachusetts(2018)
- □ Connecticut (2019)
- Oregon (2019)

## Overview of State PFML Policies

	CA	NJ	RI	NY	WA	MA	СТ	OR
Maximum Family Leave	6 weeks	6 weeks	4 weeks	10 weeks	12 weeks	12 weeks		
Maximum Personal Leave	52 weeks	26 weeks	30 weeks	26 weeks	12 weeks*	20 weeks		
Maximum Combined Leave			30 weeks		16 weeks*	26 weeks	12 weeks*	12 weeks*

<sup>\*</sup>additional 2 weeks of coverage for limitations due to pregnancy or childbirth

## Overview of State PFML Policies

All Leave <u>Employee</u> Funded	All Leave <u>Jointly</u> Funded	<u>Hybrid</u> Funded
CA, RI, CT	OR*	NJ, MA*, NY, WA*

<sup>\*</sup> State has exemptions or assistance for small businesses

## Oregon's FAMLI Program

## Oregon HB 2005 (2019)

- Roughly \$15.9 million in GF (2019-2021 Biennium)
  - Start up costs to design, plan, and implement FAMLI program
  - State will be reimbursed when the fund becomes sustainable and no later than 2023
- Premiums begin January 2022, benefits begin January 2023
- Family or Medical Leave: 12 weeks
- Maximum weekly benefit 120% of statewide weekly wage (\$1,254) and the minimum benefit is 5% (\$50) of the statewide average weekly wage

## Oregon's FAMLI Program

#### Funding Structure

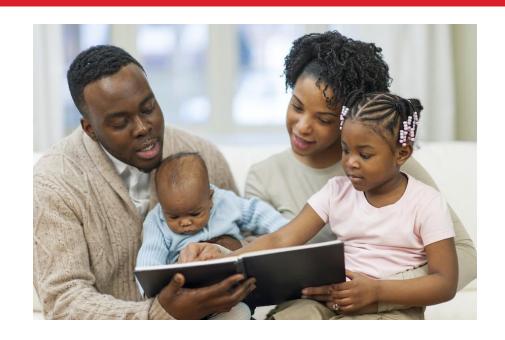
- □ Total premium rate not to exceed 1 percent of the workers first \$132,900 in wage
- □ Employee pays 60% and employer pays 40%
- □ Exemption for employers with fewer than 25 employees
- □ Oregon expects to draw \$1.57 billion in premiums for the fund in 2021-2023

#### Oregon's FAMLI Program: An Effective Sliding Scale

- Workers earning less than 65% of the state average weekly wage (\$679)
   will receive full earnings during leave
- Workers earning more than 65% of the state average weekly wage will receive \$679 then half of all weekly wages surpassing \$679.
- Maximum benefits are up to 120% of the state average weekly wage (\$1,254)

## Oregon's FAMLI Program

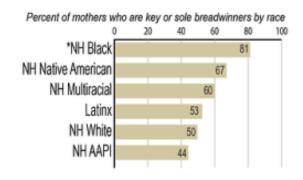
- Worker A (\$31,200) earns \$650 a week: would receive full paycheck during leave
- Worker B (\$50,400) earns \$1,050 a
   week: would receive \$865 a week
   during leave
- Worker C (\$79,200) earns \$1,650 a
   week: would receive \$1,165 a week
   during leave
- Worker D (\$120,000) earns \$2,500 a week: would receive \$1,254 a week during leave





# Analysis of Potential Impact by Race

#### Paid and Family Leave Would Benefit All Working People, Would Especially Support Women of Color



Women of color are more likely to be key or sole breadwinners in their families, meaning they stand to benefit from a paid family and medical leave policy.

Source: Institute for Women's Policy Research, 2016

\* NH = Non-Hispanic



70% of Latinx workers and 60% of Black workers in Virginia cannot take unpaid leave through federal FMLA due to not qualifying or not being able to afford it



#### **Questions?**



Freddy Mejia, Healthcare Policy Analyst
The Commonwealth Institute for Fiscal Analysis
freddy@thecommonwealthinstitute.org